

Rincon Band of Luiseño Indians

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VIA E-MAIL ONLY
Consultation@bia.gov

July 28, 2016

Lawrence S. Roberts
Acting Assistant Secretary Indian Affairs
Bureau of Indian Affairs
1849 C Street NW, MS-3071-MIB
Washington, DC 20240

RE: TRIBAL CONSULTATION - CONTRACT SUPPORT COSTS

Dear Mr. Roberts:

On behalf of the Rincon Band of Luiseño Indians (“Rincon Band”), I write to express our comments to the Draft - For Discussion and Collaborative Purposes (“Discussion Draft”) that proposes a streamlined policy to address contract support costs (CSC) incurred by Tribes under Indian Self-Determination and Education Assistance Act (ISDEAA) self-determination contracts and Self-Governance funding agreements.

First, we commend the effort to update the 2006 National Policy Memorandum NPM-SELFD-1, CSC to ensure payment of CSC is accurate, timely and meets the needs of tribes and we applaud Indian Affairs for attempting to simplify CSC calculation to expedite payment.

For many years the Rincon Band has had ISDEAA contracts and a CSC agreement with Indian Affairs to secure resources necessary to support operation and management of decentralized federal programs for the benefit of its citizens. The ISDEAA allows tribes to assume the operation of federal programs and to receive not less than the amount of direct program funding that the Secretary would have otherwise provided for the direct operation of the Program and that CSC be added to that amount. However, the annual ISDEAA accounting provided to Congress documents year-over-year budget shortfalls in CSC. This imposes great fiscal difficulty on tribes, as federal contractors, to administer programs that meet the needs of our communities. The failure of the United States to adequately fund CSC is inconsistent with the ISDEAA as well as the United States’ trust obligation owed to Indian tribes. We understand that these structural deficiencies are not within the control of Indian Affairs and regret that under the current congressional climate dis-favoring sequester-level discretionary spending caps, CSC funding shortfalls are likely to continue.

Bo Mazzetti
Tribal Chairman

Stephanie Spencer
Vice-Chairwoman

Steve Stallings
Council Member

Laurie E. Gonzalez
Council Member

Alfonso Kolb Sr.
Council Member

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Turning to the Discussion Draft, the Rincon Band asks you to consider raising the Direct CSC rate of 15% to reflect the rising costs of wages and the corresponding increase in employment taxes and health insurance. In California, the minimum wage will be \$15 per hour by 2021 and many federal agencies within the state currently provide employees a locality increase in salary to account for the high cost of living, particularly housing. The Rincon Band competes to attract local, skilled professionals to operate and manage its ISDEAA programs. We believe the Direct CSC rate of 15% is too low and suggest you consider raising it to 30%.

With respect to the Paragraph 9, Indirect CSC we do not believe the policy should permit IA to withhold payment of Indirect CSC if a tribe does not opt for a Negotiated Lump-sum Amount or recover costs using the Simplified Method. We believe the policy should adopt a minimum rate of 10% or higher to establish a floor for Indirect CSC because every tribal government operating ISDEAA programs incurs indirect costs that need to be reimbursed.

Again, we applaud the effort to fully-fund and streamline CSC for ISDEAA programs and appreciate the opportunity to comment. We hope these comments are helpful to you in finalizing the policy and look forward to continuing this discussion. Thank you.

Sincerely,

RINCON BAND OF LUISEÑO INDIANS



Bo Mazzetti
Tribal Chairman